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SENATE

REPORT
No. 2032

GOVERNING THE SALARIES AND PERSONNEL PRACTICES FOR
TEACHERS, CERTAIN SCHOOL OFFICERS, AND OTHER EMPLOY-
EES OF THE DEPENDENTS SCHOOLS OF THE DEPARTMENT OF
DEFENSE IN FOREIGN COUNTRIES, AND FOR OTHER PURPOSES

JULY 29, 1958.—Ordered to be printed

Mr. JOHNSTON of South Carolina, from the Committee on Post Office
and Civil Service, submitted the following

REPORT

[To accompany S. 3460]

The Committee on Post Office and Civil Service, to whom was
referred the bill (S. 3460) to govern the salaries and personnel prac-
tices for teachers, certain school officers, and other employees of the
dependents schools of the Department of Defense in foreign countries,
and for other purposes, having considered the same, report favorably
thereon with amendments and recommend that the bill, as amended,
do pass.

AMENDMENTS

The committee amendments insert the appropriate sectional iden-
tification in line 7 on page 1, line 19 on page 2, line 8 on page 3, and
line 6 on page 4.

PURPOSE

The bill is designed to provide a system of personnel administration
for schoolteachers and certain school officers and other employees of
the dependents schools operated by the Department of Defense in
overseas areas comparable to the systems found in the majority of
the public primary and secondary school jurisdictions in the United
States.

The proposed system recognizes and corrects deficiencies in the
present system which the Department of Defense has identified and
which long have been apparent.

BACKGROUND

The Department of Defense during the past school year operated
223 elementary schools and 76 secondary schools in overseas areas

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DEPENDENTS SCHOOLS IN FOREIGN COUNTRIES

where military personnel are stationed. These schools were attended by over 100,000 students and employed some 3,900 teachers. A program of comparable size is expected for the foreseeable future.

The purpose of these schools is to provide children of our military and civilian personnel stationed overseas an elementary and secondary education equal to the schooling that would otherwise be available to them in the United States.

DEFICIENCIES IN PRESENT SYSTEM

Most of the problems that exist stem from the fact that the teachers are employed under civil-service laws designed for full-time employees. The application of these laws to teachers has created a number of problems mainly because their services are required for only the 9 to 10 months which constitute the school year.

Among the major problems are the following:

First, because the school year covers only 9 or 10 months, teachers receive only nine-twelfths or ten-twelfths of their established annual salary, for there is no authority under which they can be paid when not working.

Second, unless annual leave is available and is used for the purpose, teachers are not paid for school recess periods, such as at Thanksgiving, Christmas, and Easter.

Third, overseas differentials and allowances are discontinued during such recess periods, if the teachers are placed in a leave-without-pay status.

Fourth, there is no authority in law to equate the pay of teachers to their academic background and qualifications, in accordance with the general practices in the United States.

FEATURES OF PROPOSED SYSTEM

The bill would exempt teachers and certain school officers and other employees from the Classification Act and permit their salaries to be fixed by the Secretary of Defense, taking into account rates of compensation for similar positions in the United States.

The bill exempts these employees from the Sick and Annual Leave Act and establishes a system of sick and emergency leave similar to that provided teachers in the District of Columbia schools.

Finally, the bill provides an equitable method of handling the quarters allowances, cost-of-living allowances, and related matters under regulations to be prescribed by the President.

HEARINGS

Public hearings on the bill were held July 14, 1958. Favorable testimony was received from the Department of Defense, the Civil Service Commission, and the Overseas Teachers Association. There was no testimony in opposition to the bill.

SECTIONAL ANALYSIS

Section 1: Amends the Classification Act of 1949 by adding a new clause to section 202 of that act which will exempt from the provisions of that act positions held by United States citizens who are employed

by the Department of Defense in dependents schools operated by the Department in foreign countries as teachers, classroom instructors, and in other positions related to the field of education, such as librarians, counselors, dormitory supervisors, and certain school officials.

Section 2: (a) Defines the positions to which the act applies; namely, those excepted from the Classification Act by the clause added to section 202 of the Classification Act by section 1.

(b) Provides that the Secretary of Defense shall prescribe regulations governing the establishing of positions covered by the act, the fixing of rates of compensation, the conditions of employment and entitlement to and payment of compensation to incumbents of such positions, and the length of the school year in overseas dependents schools of the Department of Defense.

(c) Authorizes the Secretary of each military department to place at the appropriate salary rate each position in his department which he determines is covered by the new clause added to section 202 of the Classification Act by section 1, subject to general authority of the Civil Service Commission to finally determine questions of coverage.

Section 3: (a) Provides, under regulations to be prescribed by the Secretary of Defense, for leave to be earned by employees (other than substitute teachers) covered by the act, at the rate of 1 day for each calendar month or part thereof of the school year, up to a maximum of 10 days in a school year, and for accumulation of not more than 75 days of such leave.

(b) Provides, under regulations to be prescribed by the Secretary of Defense, for leave earned under the section to be used as maternity leave, when the employee is ill, when there is a contagious disease or death in his immediate family, or when he has any other pressing personal emergency. Also provides that 3 days of such leave may be granted during a school year for any purpose, and specifies that Saturdays, Sundays, holidays, and administratively authorized non-workdays will not be counted against leave.

(c) Provides for crediting annual and sick leave which an employee has when his position is brought under this act, such annual leave not to be included in leave provided under subsection (a), but to be used under regulations of the Secretary of the military department concerned. Also provides that a person credited under this subsection with 75 or more days of leave (other than annual leave) may not earn leave under subsection (a) until the amount of leave to his credit is reduced to less than 75 days.

(d) Provides for liquidation of annual leave to an employee's credit upon separation from service, in the manner prescribed by the act of December 21, 1944.

(e) Provides for transfers of leave credited under this act, under regulations of the Civil Service Commission, when an employee is transferred, promoted, or reappointed to a position under a different leave system.

Section 4: (a) Provides, under regulations to be prescribed by the Secretary of Defense, that persons covered by the act who complete a school year and agree in writing to serve for the next school year may be authorized, for the recess period between the school years (1) quarters, (2) a quarters allowance, or (3) storage of household effects and personal possessions.

(b) Provides that such persons failing to report for the next school year shall be liable to the United States for moneys received, or the reasonable value of quarters or storage provided.

Section 5: Provides, under regulations to be prescribed by the Secretary of Defense, that employees (other than substitute teachers) covered by this act may receive (1) a quarters allowance like that authorized by the act of June 26, 1930 (5 U. S. C. 118a); (2) cost-of-living allowances like those authorized under section 902 (2) of the Foreign Service Act of 1946 (22 U. S. C. 1131 (2)); and (3) additional compensation (Foreign post differentials) like that authorized under section 207 of the Independent Offices Appropriation Act, 1949 (5 U. S. C. 118h).

Under this authority, the Secretary of Defense would prescribe the periods of time during which the employees covered by this act will be eligible to receive such allowances. For example, he would be authorized to prescribe regulations which would permit payment of such allowances during periods of school recesses and holidays, and for such time preceding the opening of school and following the closing of school as may be deemed appropriate.

Section 6: Provides that, for purposes of determining the maximum salary that may be saved for employees when converted from a position subject to this act to one subject to another act, or vice versa, the rates of pay established for a position covered by this act (which would be on a school-year basis) shall be increased by 20 percent to determine the annual salary rate.

Section 7. (a) Specifies that the Annual and Sick Leave Act of 1951 and the Federal Employees Pay Act of 1945 will not apply to persons who hold positions covered by this act.

(b) Provides that the laws relating to dual employment and dual compensation shall not apply to persons who, during the recess periods between the school years, are entitled to the quarters or quarters allowance or storage allowance provided in section 9 of this act. This is necessary to insure that employees who served as summer-school teachers or accept other Government employment during the recess period may be compensated for such work.

Section 8: Provides that enactment of this act will not affect any position existing, on the day before the effective date of the act, under authority of the laws which are amended or repealed by this act, the compensation of such position, any incumbent thereof, his appointment thereto, and his right to receive the compensation attached thereto, until the Secretary of the military department concerned places the position at its appropriate salary rate under this act, under section 2 (c).

Section 9: Provides that the Secretary of Defense shall issue regulations prescribed by this act on a date within 90 days after enactment of the act. Also authorizes the Secretaries of the military departments to issue necessary regulations.

Section 10: Makes section 9 effective on the date the act is enacted, and sections 1 through 8 effective on the first day of the first pay period beginning more than 60 days after the Secretary of Defense issues his regulations.

AGENCY VIEWS

Following is the letter from the Department of Defense requesting this legislation:

THE SECRETARY OF DEFENSE,
Washington, March 10, 1958.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation to govern the salaries and personnel practices for teachers, certain school officers, and other employees of the dependents schools of the Department of Defense in foreign countries, and for other purposes.

This proposed legislation is a part of the Department of Defense legislative program for 1958, and the Bureau of the Budget has advised that it has no objection to its submission for the consideration of the Congress. It is recommended that it be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the legislation is to provide a system for personnel administration for schoolteachers and certain school officers and other employees of the dependents schools of the Department of Defense in foreign areas comparable to the type of system found in the majority of the public primary and secondary school jurisdictions in the United States and in the District of Columbia. The proposed system will eliminate many of the difficulties resulting from the present application of certain civil-service rules and regulations and of the Classification Act and the Annual and Sick Leave Act to such personnel, for which they are not appropriate.

The Department of Defense operates 292 schools in foreign areas, employing approximately 3,360 teachers.

Teachers are hired under civil-service-excepted appointment procedures and their positions are subject to the Classification Act and the Annual and Sick Leave Act of 1951, as amended. They are transported overseas under authority of Public Law 600, 79th Congress, the Administrative Expenses Act, are eligible for appropriate differentials and allowances as provided in section 207 of the Independent Offices Appropriation Act, 1949, as amended by section 104 of the Supplemental Independent Offices Appropriation Act, 1949 (62 Stat. 1205), and are subject to the Annual and Sick Leave Act.

Teachers' services are required only for the school term, and they are paid only for periods of actual work plus the time required for transportation to and from the overseas post. Their appointment papers specify they will be paid at the rate of the annual salary specified in the Classification Act for their grade, but, because they work less than the full year, their actual annual salary is somewhat less than specified. Although every attempt is made to explain this at the time of employment, it continues to be misunderstood and is a source of dissatisfaction on the part of the teachers.

Being subject to civil-service rules and regulations regarding pay and leave, teachers are considered to be in a pay status only when actually working or when on earned annual or sick leave. Most teachers have less than 3 years of service, and, consequently, earn

annual leave at the rate of 13 days per year. Leave cannot be advanced to them. Therefore, when the school recess periods for Thanksgiving, Christmas, and Easter arrive, the teachers do not have enough annual leave to cover the periods when they are not working. They are placed on leave without pay for a part of the time. When on leave without pay, they are not entitled to receive the quarters allowance and other differentials and allowances which may be authorized for the foreign post to which they are assigned.

Teachers in most school jurisdictions inside the United States are accorded an annual contract which specifies an annual rate of pay for so many days of actual teaching. It is understood that they will not be on duty during regular school recess periods. They are not normally granted annual leave but, rather, certain sick-leave privileges and a number of days of emergency leave to be taken when and if required. It is also common practice in school systems to give recognition to the special qualifications of teachers in determining their rate of pay. A teacher with a master's degree is usually given a higher rate of compensation than a teacher with a bachelor's degree. These practices are so common and so generally accepted that teachers question the fact that they are not followed in overseas dependents schools of the Department of Defense.

These factors were recognized in the District of Columbia school system when, in 1947, the Congress approved a Teachers Salary Act and, in 1951, a Sick and Emergency Leave Act, applying to teachers and other school personnel in the District. The same conditions which influenced the decision to provide these special pay and leave authorities for the District of Columbia schools prevail in the overseas dependents schools of the Department of Defense.

The proposed legislation would alleviate many of the existing problems. It would exempt teachers and certain school officers and other employees of the dependents schools of the Department from the Classification Act of 1949. The compensation of such personnel would then be fixed under regulations prescribed by the Secretary of Defense, taking into account rates of compensation for similar positions in the United States. The satisfactory experience of the Department of Defense in fixing the compensation of more than one-half its civilian employees under a comparable flexible authority has demonstrated the soundness and workability of this method of determining pay.

In addition, the legislation would provide a program of sick and emergency leave similar to that provided for comparable personnel in the District of Columbia school system. This program is designed to meet the special employment conditions of teachers and school personnel in the overseas dependents schools of the Department of Defense.

The legislation would also authorize free quarters or a quarters allowance or storage of household effects and personal effects at Government expense during summer recess in the case of those teachers and officials who sign a renewal agreement and who report for work at the beginning of the subsequent school year. Quarters, quarters allowances, cost-of-living allowances, and foreign-post differentials would be authorized under regulations to be prescribed by the Secretary of Defense. The Secretary of Defense would also

prescribe regulations to govern the conditions of employment and the length of the school year in overseas dependents schools.

The proposed legislation will not apply to those officials, such as most principals, whose work situation is such as to require fulltime services and whose position may properly be covered by the civil-service rules and regulations.

Employees affected by the proposed legislation would continue to be entitled to the benefits of the Civil Service Retirement Act (or OASI, as appropriate), the Federal Employees Group Life Insurance Act, the Federal Employees Compensation Act, and the transportation provisions of Public Law 600, 79th Congress.

Enactment of this proposed legislation would overcome the serious objections to the present system; would place the schoolteacher personnel program of the Department of Defense on a par with that found in the more progressive school jurisdiction inside the continental United States; and would greatly improve the attractiveness of teacher positions in the dependents schools of the Department. It would permit the Department of Defense to select better teachers, and should result in their longer retention.

COST AND BUDGET DATA

It is anticipated that, for fiscal year 1959, an increased cost of \$438,847 for the Army, \$98,816 for the Navy, and \$501,516 for the Air Force, or a total of \$1,037,179, will result from the enactment of this proposal.

Sincerely yours,

DONALD A. QUARLES,
Deputy.

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